

NEWS TRANSCRIPT

MARCH 6, 1991

Partnership urges borough to pursue improvement loan

Fund established to help communities create districts

By Dick Metzgar

FREEHOLD—Members of the Freehold Center Partnership will urge the county seat to seek funds through a new state program to help create a Special Improvement District.

The new fund, totaling \$100,000 to be given initially to 10 qualifying communities in maximum matching loans of \$10,000, was announced Friday at the Downtown New Jersey technical assistance Seminar at the American Hotel on East Main Street.

"I think this is an excellent opportunity for the borough to get money to do something positive for its downtown area that will benefit all residents," said Barry Fisher, a member of the Partnership, which was formed one year ago.

The maximum loan would match a local contribution of at least \$5,000 to aid in preparing plans and programs leading to the establishment of an SID.

Donald Smartt, the Partnership's consultant and vice president of Downtown New Jersey, has said he is in favor of creating a Special Improvement District in the county seat.

"Historically, our downtowns have been the heart of the state's communities," said Smartt. "Business owners in the heart of the town are its largest taxpayers. I believe that a Special Improvement District, controlled and managed by local people, is the best tool available for any community to improve itself."

SIDs are special taxing districts designed to raise money to improve the designated districts.

The state loan would be for five years at no interest. There would be a minimum yearly payment of \$2,000 or a maximum of 5 percent of SID special assessment, whichever is greater.

Allowable expenses would be for a study of the business area, identification of business area needs, establishing SID boundaries, completion and enactment of an SID ordinance, completion and enactment of the SID management corporation resolution, organization plan and bylaws, the recruitment of an SID manager and obtaining a consultant to assist the SID management corporation during the first year.

The partnership has already accomplished many of these objectives during its first year of existence.

The loan program was created by the state Department of Community Affairs to aid communities in the improvement of their business districts.

Members of the borough's Economic Development Committee

recommended several years ago that an SID be established, but the Borough Council declined to follow through on the proposal.

Several local businessmen took matters into their own hands one year ago and established the partnership and hired Smartt as a consultant and coordinator to get the ball rolling.

Members of the council were exposed to speakers from municipalities that have created SIDs, and they outlined the benefits and possible pitfalls of such districts.

They warned that continued supplemental fundraising other than SID assessments and ongoing short- and long-range strategic planning are musts to keep the SIDs a success.

"...I believe that a Special Improvement District, controlled and managed by local people, is the best tool available for any community to improve itself."

Donald R. Smartt
Principal, The Community Advocates



The Community Advocates